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## **More Evidence of Chinese Government Influence-Peddling** **Chung Says China Gave Big Bucks to Dems**

In July 1997, Senator Fred Thompson opened hearings on illegal campaign activities by announcing that the Chinese government had hatched a plan "to pour illegal money into American political campaigns" with the goal of "buy[ing] access and influence in furtherance of Chinese government interests."

Chairman Thompson's statement was greeted with skepticism in some quarters, but the evidence in support of his claim continues to accumulate. For example, on April 4, 1999, the *Los Angeles Times* opened an important investigative article with this little bombshell:

*"The chief of China's military intelligence secretly directed funds from Beijing to help reelect President Clinton in 1996, former Democratic fund-raiser Johnny Chung has told federal investigators."*

**Remembering Johnny Chung, a Frequent Visitor at the White House.** For all of his notoriety, history may remember Johnny Chung for having coined a phrase. It was Chung who said, "The White House is like a subway: You have to put in coins to open the gates." Chung ought to have known: He ponyed up hundreds of thousands of dollars to get into the White House some 50 times between February 1994 and February 1996 — and he paid his fare, but not in coin. Chung wrote 12 checks to the Democratic National Committee totaling \$366,000 (the DNC has since returned the money); one check for \$10,000 to the Democratic Senatorial Campaign Committee; and five checks for (a total of) \$10,000 to five other Democrats.

In its 1998 report on illegal campaign activities, the Senate Committee on Governmental Affairs said the following of Chung's relationship with the White House:

"... Though he had told DNC officials that he would be using the White House as a means of entertaining his foreign clients, and though the National Security Council regarded him as a 'hustler,' Chung was granted extraordinary access to the White House, and especially the First Lady's office. There can be no question that Chung's contributions to the DNC helped give him this access to the President and the First Lady. So close was the nexus between Chung's donations and his visits, in fact, that White House officials actually collected money from him in the First Lady's office in exchange for allowing him to bring a delegation of his clients to White House events. ..."

**Chung Pleads Guilty.** Chung ran afoul of Federal law in several ways, and last December he pleaded guilty to two election law misdemeanors and a couple of felonies (tax evasion and fraud). Because Chung is cooperating with authorities, he avoided jail; he was sentenced to five years of probation and 3,000 hours of community service.

**Sentencing Judge's Remarkable Comments.** At Chung's sentencing, U.S. District Judge Manuel L. Real, who was appointed to the bench by Lyndon Johnson, made a couple of remarkable statements. He said that former Democratic National Committee Chairman Donald L. Fowler and Finance Director Richard Sullivan were "two of the dumbest politicians" he had ever heard of if they "didn't know what was going on." He also said that he was "surprised that the attorney general [Reno] has eschewed appointment of a special prosecutor" to investigate the scandal, particularly because FBI Director Louis Freeh and task force chief Charles LaBella had recommended appointment of an independent counsel.

**What Chung Reportedly Has Told Investigators.** In May 1998, the *New York Times* reported that Chung had told Federal investigators that the money he gave the Democrats had come from Liu Chaoying who was a lieutenant colonel in the People's Liberation Army and a vice president of an arm of China's state-owned aerospace agency which, of course, has energetic interests in satellites, missiles, and all related matters. Ms. Liu is the daughter of Liu Huaqing who was China's top military commander and a leader of the Communist Party.

Now comes the *Los Angeles Times* with its story that Chung testified that he met three times with General Ji Shengde, the chief of China's military intelligence service, who gave Chung \$300,000 to help President Clinton. "We like your President," Ji is quoted as saying.

"Chung's testimony," The *L.A. Times* article says, "has provided investigators with the first direct link between a senior Chinese government official and illicit foreign contributions that were funneled into Clinton's 1996 reelection effort. It is the strongest evidence to emerge . . . that the highest levels of the Chinese government sought to influence the U.S. election process."

**What's to Come?** The Chinese government has denied that it attempted to influence U.S. elections, but we await further developments. In this investigation and others connected with this White House, denials have often been subject to later . . . uh . . . clarifications.

The American people are deeply concerned about several China-related questions, including the transfer of missile technology, the loss of nuclear secrets, world trade and human rights, and the American people are eager to learn how Chinese money may have been used to influence the policy of the United States. Johnny Chung knows some of that story.

Staff contact: Lincoln Oliphant, 224-2946

RPC Intern Brady Whitehead provided research assistance for this paper.

[Sources: "Testimony Links Top China Official, Funds for Clinton," *Los Angeles Times*, April 4, 1999, p. A1. "Reno, Democrats Criticized by Judge," *Los Angeles Times*, Dec. 15, 1998, p. B1. "Democrat Fund-Raiser Said to Detail China Tie," *New York Times*, May 15, 1998, p. A1. "Investigation of Illegal or Improper Activities in Connection with 1996 Federal Election Campaigns," Final Rpt. of the U.S. Senate Comm. on Governmental Affairs, S. Rept. 105-167, vol. I, pp. 783-915 (1998).]